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July 8, 2008

**VIA ELECTRONIC-DELIVERY**

Mr. Charles L.A. Terreni  
Chief Clerk & Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29210

Re: Application of Duke Energy Carolinas, LLC - Carolinas Carbon Offset Program (SC) Tariff  
Docket No. 2008-257-E

Dear Mr. Terreni:

This is to inform the Public Service Commission of South Carolina ("Commission") that the Office of Regulatory Staff ("ORS") has reviewed the above referenced filing and ORS has no objection to Duke Energy Carolinas, LLC's ("Company") proposed tariff for the Carolinas Carbon Offset Program. Participation in this program will not result in any revenue increase to the Company and has no impact on a customer's South Carolina jurisdictional retail electric service. Also, this program is voluntary and participation is at the sole discretion of the customer. ORS continues to support such programs which help facilitate a reduction of greenhouse gas emissions.

Thank you for the opportunity to provide the Commission our comments in this matter.

Sincerely,

  
John W. Flitter

JWF/sh

cc: Dan F. Arnett, Chief of Staff, SC ORS  
Nanette S. Edwards, Chief Counsel and Director of Legal Services, SC ORS  
Lessie Hammonds, Esquire, SC ORS  
Catherine E. Heigel, Assistant General Counsel, Duke Energy Carolinas  
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